

MEMORANDUM FOR: Legislative Counsel

SUBJECT: H.R. 3112, To authorize, under regulations of the Civil Service Commission, the withholding, upon request, from compensation of Federal employees amounts for the payment of certain life and hospitalization insurance and credit union savings deposits

1. In response to your request, subject bill has been reviewed relative to possible CIA interest. H.R. 3112 proposes that payroll deductions be withheld from the compensation of Federal employees, upon their request, for the payment of certain life and hospitalization insurance and credit union savings deposits.

2. Representatives of this Office have previously discussed with Mr. Houston the possibility of such deductions for the insurance programs now sponsored within the Agency. Passage of H.R. 3112 would greatly facilitate our insurance operations. The bill contains a provision, however, for the Civil Service Commission to prescribe rules and regulations governing the administration of the program. The Office of Personnel believes it would be preferable from the Agency's standpoint if the bill were enacted without such a provision. If this course of action is not feasible, the Agency should be exempted from any regulatory requirements which would make compliance, including external reporting of data, difficult for security reasons.

FOIAB6

Harrison G. Reynolds
Director of Personnel